The World's Gold Reserves & Commodity Prices

Memorandum and Statistics

by

The late Mr Joseph Kitchin

The late Mr Joseph Kitchin, who died last summer, was widely recognised as one of the leading experts of the world on the question of gold production and a close student of all statistics relating to monetary matters. His trade cycles chart, which he had for a long time circulated privately each year, is well known to economists. Among Mr Kitchin's unpublished papers were several memoranda on various aspects of this subject. We have been permitted to print the following charts and tables, which deal with the relation between gold reserves and commodity prices. The preliminary memorandum, consisting of little more than explanatory notes, was left in a form obviously not intended for publication, but we have not thought it proper to do more than edit these notes without altering the substance. The information contained in the following pages is of value as an epitome of Mr Kitchin's statistical work to which he devoted so many years of his life. His considered commentary on these questions is to be found in the memorandum which he supplied to the League of Nations Gold Delegation, in his evidence to the Indian Currency Commission and the Macmillan Committee, and in his published articles.

Since 1913 five countries of the world have been prominent in absorbing gold to the detriment of the rest of the world. The United States figured most largely in this process up to 1924; France did not come into the picture strikingly until 1928, the year of her return to the Gold Standard; and Switzerland, Holland and Belgium acquired half to two-thirds of their existing stocks in 1931, and mostly after June. Russia, it may be added, whose gold stocks dropped from £183 millions at the end of 1914 to nil at the end of 1921, became an avid acquisitor of gold from June, 1929 onwards, the origin of the supplies being a mystery.

The five countries first mentioned represent practically the only countries still definitely on the Gold Standard, and they are on it because they have largely "mopped up" the world's gold. In 1913 the five had £435 millions, out of £989 millions, or 44 per cent.; at the end of the War they had £789 millions out of £1,533 millions, or 51½ per cent.; in the middle of 1929 (just before the New York crash) they had £1,193 millions, out of £2,065 millions, or 58 per cent.; at the time of the Hoover moratorium they had £1,513 millions, out of £2,312 millions, or 65½ per cent.; and at the end of 1931 they had £1,626 millions, out of £2,294 millions, or 71 per cent. The rest of the world (excluding Russia) had £392 millions, £656 millions, £853 millions, £745 millions and £601 millions at these same points of time, or respectively 39½ per cent., 43 per cent., 41¼ per cent., 32¼ per cent. and 26 per cent.—*i.e.*, they have suffered most since mid-1929. They have practically all left the Gold Standard, or have adopted such exchange restrictions as almost amount to their having done so. Though Poland and one or two other countries are exceptions, the two groups may be regarded as being respectively on and off the Gold Standard at the present time.

Between the end of 1913 and the end of 1931 the world's gold reserves rose from £989 millions to £2,249 millions, or by 127 per cent., equal to 4.8 per cent. per annum compound (*see* Table I), but the rate was 7.6 per cent. per annum for the five "gold" countries first referred to, and 2.4 per cent. for the rest of the world (excluding Russia). Of the £1,305 millions increase in World gold reserves, £876 millions, or 67 per cent. (59½ per cent. of the output of £1,468 millions) came from new gold, and £429 millions, or 33 per cent., from gold in circulation or formerly in other banks. In the last half of 1931, however, some £48 millions of gold disappeared—apparently into new hoards. About 95 per cent. of the total stock of gold money is now in central banks and treasuries.

The result of the withdrawal of gold from circulation, together with the inflow of new gold, was that the reserves of the world (excluding Russia) rose between 1913 and 1929 by an amount equivalent to an increase of 5.9 per cent. per annum, a figure which compares with the average rate of 2.3 per cent. or 1.7 per cent., respectively, shown by the League's or the Federal Reserve Bank of New York's figures for the production of basic commodities (foodstuffs and raw materials) for the world excluding Russia (Table IV). The production of basic commodities forms only a part of the world's activities, but the figures would seem to indicate that gold reserves increased much more than economic activity. This fact largely explains how a level of wholesale prices 40 per cent. or more above the 1913 level could be maintained between 1925 and 1928.

From the end of 1924 to the end of 1929—the period of the general return to the Gold Standard—the rate of increase of the gold reserves of the world (excluding Russia) moderated considerably and averaged 2½ per cent. per annum. From 1924 to 1929 the rate of increase of production of basic commodities was 3½ per cent. or 3¾ per cent. per annum according to the two indices, so that it might have been reasonable to expect a moderate decline in prices, judging by these two factors alone. But the position from about the end of 1928 was upset by the five "gold" countries increasing their demand for gold abnormally to the detriment of the rest of the world (*see* Chart I). It should be said that, as regards the last three years, the United States was quite moderate in its absorption; Switzerland, Belgium and Holland only became prominent gold-absorbers in the last six months of 1931; while much of the increase in these countries was due to other countries losing gold and going off the Gold Standard after the Hoover moratorium of June, 1931. Of £516 millions of gold absorbed by the five countries in 1929-31, France took £296 millions, Switzerland £72 millions, the United States £64 millions, Belgium £47 millions and Holland £37 millions, these figures representing increases on their end-1928 stocks of 115 per cent., 343 per cent., 8 per cent., 181 per cent. and 103 per cent. respectively. During the same three years the rest of the world (excluding Russia) lost £303 millions. To support a given level of prices in a Gold Standard world, gold reserves should increase at a rate approaching that of the world's economic development. If gold flows to some countries to such an extent as to cause a shortage in other countries, this shortage will exercise a determining influence upon the world price level, irrespective of the gains of the first group of countries. This is illustrated in Chart I, which shows a considerable agreement of the price and production curves with the curve of reserves of the rest of the world, but none with the reserves of the five gold countries.

In Table II, the actual gold reserves of the two groups of countries and of the world as a whole are calculated as percentages of what they would have been if they had increased from 1913 at steady rates of 2½ per cent. or 3 per cent. per annum. These percentages have been given the

name of " relative reserves " at 2½ per cent. and 3 per cent. respectively. The two standard rates have been chosen as comparing best with wholesale prices and with a mixture of wholesale prices and the cost of living respectively. It will be seen from this table and from the charts that there is fair agreement* between the movements of prices and those of the " relative gold reserves " of the rest of the world from about 1924 or 1925 onwards. The charts will also serve to show how little relation there was between prices and the gold reserves of the world as a whole; and, of course, there was even less relation between prices and the gold reserves of the five present gold countries.

Chart II indicates that gold reserves of the world as a whole were such that the level of prices of 1928 could have been easily supported after that year. The drop in gold reserves in the second half of 1931 was due to unusual hoarding as a result of the crisis and the loss of confidence in the banks.

Table IV and Chart III set out various world production factors. During the war, food production was much curtailed, and raw materials production was subnormal until after the 1920-21 slump. The war indeed caused a setback in the world's progress of, say, nine years. Subject to this, counting from 1922 to 1929, and taking trend rather than the figures of the limiting years, population advanced by 1 per cent. per annum (rather more than normal as judged by 1865-1913), food production by 2¼ per cent. per annum (against a normal 2½ per cent.), raw materials production by 5½ per cent. (against a normal 4¼ per cent.), international trade by perhaps 5½ per cent., and industrial production by anything between 5 per cent. and 7 per cent. But these rates are calculated over too short a period to give a fair picture, seeing that it was a period of recovery from a subnormal condition, while 1929 represented the height of the boom. The relapse in 1929 is graphically illustrated in Chart III.

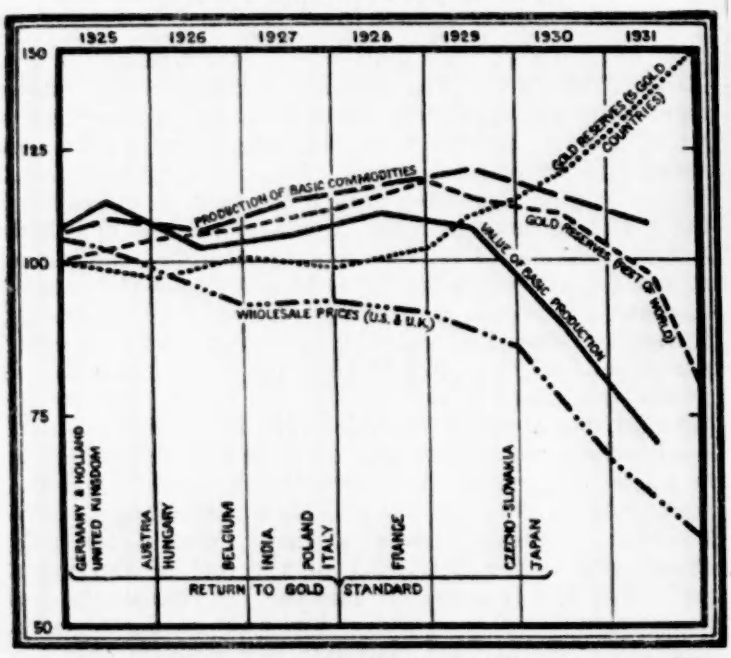
* Of course, there are many other elements—the proportion of money superimposed upon gold, the velocity of money, trade cycle influences, etc., but world figures for these are not available.

DIAGRAMS AND STATISTICS.

CHART I.

GOLD RESERVES, PRODUCTION AND PRICES, 1925–1931.

Ratio Scale: End-1924 (or 1924) = 100.

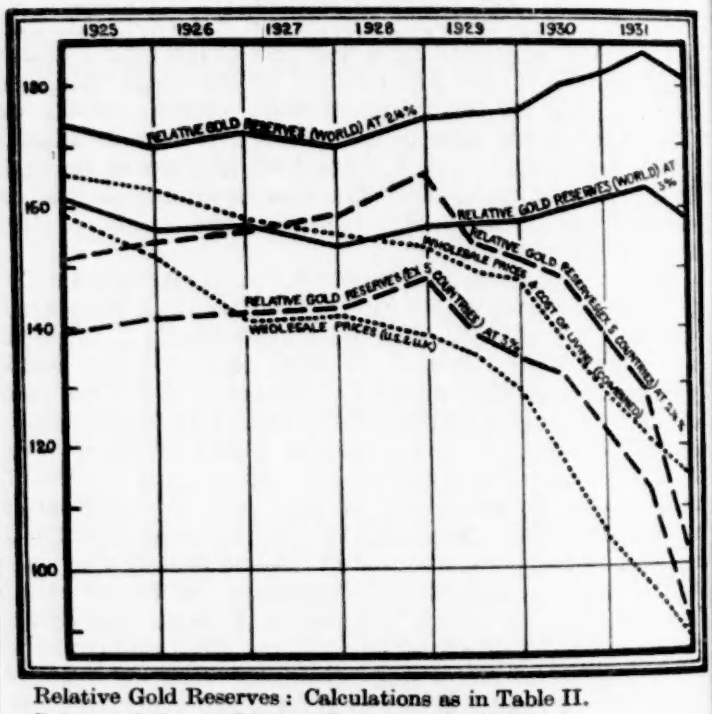


Wholesale Prices: Composite of U.S.A. and U.K. (*see* Table III).
Production of Basic Commodities: League of Nations' figures (*see* Table IV., column 3).
Value of Basic Production: Federal Reserve Bank figures (*see* Table IV., column 8, and footnote).

CHART II.

RELATIVE GOLD RESERVES AND PRICES, 1925-1931.

Natural Scale: 1913 = 100.

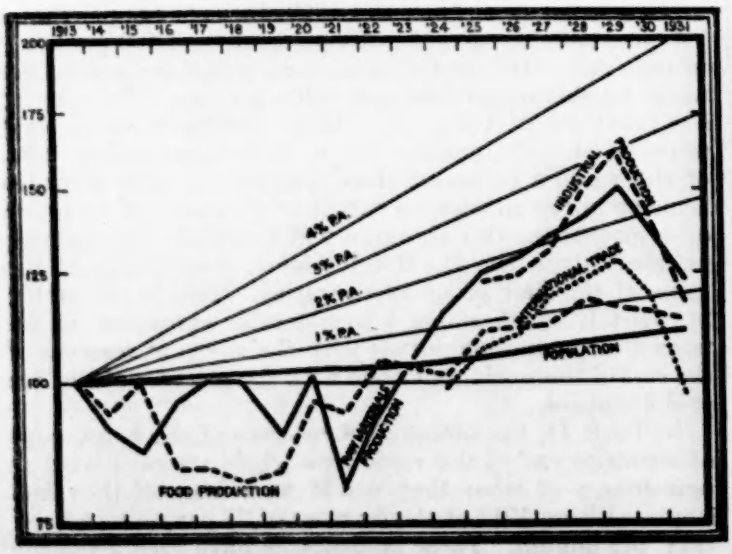


Relative Gold Reserves: Calculations as in Table II.
Prices and Cost of Living: Data as in Table III.

CHART III.

WORLD PRODUCTION, 1913–1931.

Ratio Scale: 1913 = 100.

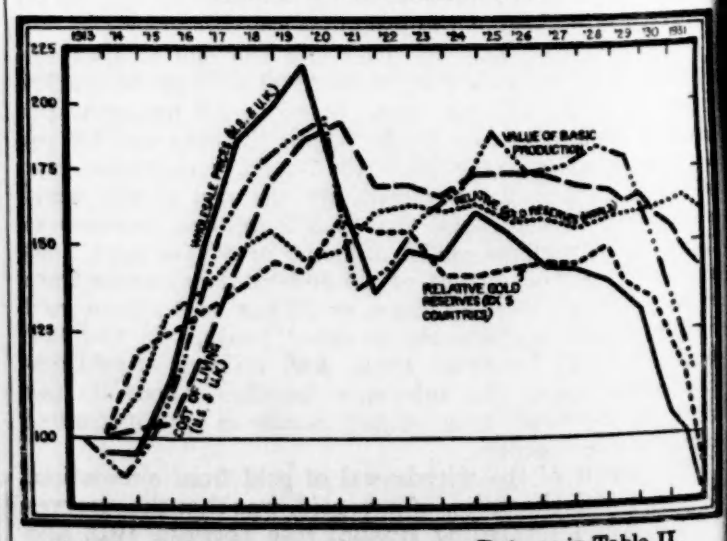


Population, production, and trade data as in Table IV.

CHART IV.

RELATIVE GOLD RESERVES, PRICES, ETC., 1913–1931.

Ratio Scale: End-1913 = 100.


1913 '14 '15 '16 '17 '18 '19 '20 '21 '22 '23 '24 '25 '26 '27 '28 '29 '30 1931
225
200
175
150
125
100
WHOLESALE PRICES (U.S. & U.K.)
COST OF LIVING (U.S. & U.K.)
VALUE OF BASIC PRODUCTION
RELATIVE GOLD RESERVES (WORLD)
RELATIVE GOLD RESERVES (EX 5 COUNTRIES)

Relative Gold Reserves at 3 per cent.: Data as in Table II.
Prices and Cost of Living: For figures, *see* Table III.

TABLE I.

GOLD RESERVES (CENTRAL BANKS AND TREASURIES).

(In millions of pounds at 84/11½ per fine oz.)

Excluding India, China and Egypt. End-year figures 1925–30 based on League; June 1929–31 figures based on F.R. Bulletin.

	Total, Five Countries, (U.S.A., France, Switzerland, Belgium, Holland).	Russia.	Rest of World.	World.	Rate of Increase.			New Mine Output.	Non-Monetary Demand.	Addition to Gold Reserves.		
					Five Countries.	All Other Countries.	World.			From New Output.	From Circulation, other banks and hoards.	Total addition.
					%	%	%					
Dec. 31, 1913	435	162	392	989								
„ 1914	449 (+ 14)	183 (+ 21)	479 (+ 87)	1111 (+122)	3·2	22·2	12·3	91	26	65	57	122
„ 1915	605 (+156)	171 (− 12)	516 (+ 37)	1292 (+181)	34·7	7·7	16·3	97	17	80	101	181
„ 1916	683 (+ 78)	156 (− 15)	553 (+ 37)	1392 (+100)	12·9	7·2	7·7	93	33	60	40	100
„ 1917	756 (+ 73)	115 (− 41)	606 (+ 53)	1477 (+ 85)	10·7	9·6	6·1	86	37	49	36	85
„ 1918	789 (+ 33)	?90 (− 25)	656 (+ 50)	1535 (+ 58)	4·4	8·2	3·9	79	19	60	− 2	58
	(+354)	(− 72)	(+264)	(+546)	12·7	11·8	9·2	446	132	314	232	546
„ 1919	766 (− 23)	?72 (− 18)	658 (+ 2)	1496 (− 39)	−2·9	0·3	−2·5	75	41	34	−73	−39
„ 1920	753 (− 13)	?30 (− 42)	751 (+ 93)	1534 (+ 38)	−1·7	14·1	2·3	69	60	9	29	38
„ 1921	909 (+156)	0 (− 30)	757 (+ 6)	1666 (+132)	20·7	0·8	8·6	68	2	66	66	132
„ 1922	964 (+ 55)	1 (+ 1)	777 (+ 20)	1742 (+ 76)	6·0	2·6	4·5	66	43	23	53	76
„ 1923	1032 (+ 68)	9 (+ 8)	745 (− 32)	1786 (+ 44)	7·1	−4·1	2·5	75	49	26	18	44
„ 1924	1079 (+ 47)	15 (+ 6)	759 (+ 14)	1853 (+ 67)	4·6	1·9	3·8	81	52	29	38	67
„ 1925	1050 (− 29)	19 (+ 4)	788 (+ 29)	1857 (+ 4)	−2·7	3·8	0·2	81	66	15	−11	4
	(+615)	(−143)	(+396)	(+868)	7·6	6·0	5·4	961	445	516	352	868
„ 1926	1085 (+ 35)	17 (− 2)	818 (+ 30)	1920 (+ 63)	3·3	3·8	3·4	82	37	45	18	63
„ 1927	1072 (− 13)	20 (+ 3)	846 (+ 28)	1938 (+ 18)	−1·2	3·4	0·9	83	32	51	−33	18
„ 1928	1110 (+ 38)	19 (− 1)	904 (+ 58)	2033 (+ 95)	3·5	6·9	4·9	84	36	48	47	95
	(+675)	(−143)	(+512)	(+1044)	6·4	5·7	4·9	1210	550	660	384	1044
June 30, 1929	1193	19	?853	?2065								
Dec. 31, 1929	1233 (+123)	30 (+ 11)	846 (− 58)	2109 (+ 76)	11·1	−6·4	3·7	83	28	55	21	76
June 30, 1930	1307	41	?839	?2187								
Dec. 31, 1930	1401 (+168)	51 (+ 21)	793 (− 53)	2245 (+136)	13·6	−6·3	6·4	86	22	64	72	136
June 30, 1931	1513	54	?745	?2312								
Dec. 31, 1931	1626 (+225)	67 (+ 16)	?601 (−192)	?2294 (+ 49)	16·1	−24·2	2·2	89	−8	97	−48	49
	(+1191)	(− 95)	(+209)	(+1305)	7·6	2·4	4·8	1468	592	876	429	1305
SUMMARY :—												
1914–18 ...	+354	− 72	+264	+546	12·7	11·8	9·2	446	132	314	232	546
1919–25 ...	+261	− 71	+132	+322	4·2	2·7	2·8	515	313	202	120	322
1926–28 ...	+ 60	+ 0	+116	+176	1·9	4·6	3·0	249	105	144	32	176
	+675	−143	+512	+1044	6·4	5·7	4·9	1210	550	660	384	1044
1929–31 ...	+516	+ 48	−303	+261	13·5	−12·8	4·1	258	42	216	45	261
	+1191	− 95	+209	+1305	7·6	2·4	4·8	1468	592	876	429	1305

TABLE II.

GOLD RESERVES AND RELATIVE GOLD RESERVES.

(In millions of gold pounds.)

	World Reserves.					Reserves of Five Countries.					Rest of World Reserves.				
	Actual. *	If increased at 2½% p.a.	If increased at 3% p.a.	Relative Reserves at 2½%	Relative Reserves at 3%	Actual.	If increased at 2½% p.a.	If increased at 3% p.a.	Relative Reserves at 2½%	Relative Reserves at 3%	Actual.	If increased at 2½% p.a.	If increased at 3% p.a.	Relative Reserves at 2½%	Relative Reserves at 3%
Dec. 31, 1913	827	827	827	100	100	435	435	435	100	100	392	392	392	100	100
„ 1914	928	845	852	110	109	449	444	448	101	100	479	401	404	119½	118½
„ 1915	1121	864	877	130	128	605	454	461	133	131	516	410	416	126	124
„ 1916	1236	883	903	140	137	683	464	475	147½	144	553	419	428	132	129½
„ 1917	1362	902	930	151	146½	756	475	490	159	154½	606	428	441	141½	137½
„ 1918	1445	923	958	156½	151	789	486	504	162½	156½	656	438	454	150	144½
„ 1919	1424	944	987	151	144	766	497	519	154	147½	658	448	468	147	141
„ 1920	1504	965	1016	156	148	753	508	535	148½	141	751	458	482	164	156
„ 1921	1666	987	1046	169	159	909	519	551	175	165	757	468	497	161½	152½
„ 1922	1741	1010	1077	172	161½	964	531	568	181½	170	777	479	512	162	152
„ 1923	1777	1033	1110	172	160	1032	543	585	190	176	745	490	527	152	141½
„ 1924	1838	1056	1143	174	161	1079	555	602	194½	179	759	501	543	151½	139½
„ 1925	1838	1080	1177	170	156	1050	568	620	185	169½	788	512	559	154	141
„ 1926	1903	1104	1213	172½	157	1085	581	638	187	170	818	524	576	156	142
„ 1927	1918	1129	1249	170	153½	1072	594	657	180½	163	846	536	593	158	142½
„ 1928	2014	1155	1286	174½	156½	1110	607	677	183	164	904	548	610	165	148
June 30, 1929	?2046	1168	1305	175	157	1193	613	687	194	174	?853	554	619	154	139
Dec. 31, 1929	2079	1181	1325	176	157	1233	620	698	199	176	846	560	628	151	134½
June 30, 1930	?2146	1193	1345	180	159½	1307	627	708	209	185	?839	566	637	148	132
Dec. 31, 1930	2194	1206	1365	182	161	1401	634	719	221	195	793	572	647	138½	122½
June 30, 1931	?2258	1219	1385	185	163	1513	641	730	236	207	?745	578	657	129	113½
Dec. 31, 1931	?2227	1233	1406	181	158	1626	648	741	251	219½	?601	585	667	103	90

* Excluding Russia, India, China and Egypt.

TABLE III.—PRICES.

(Where monthly averages are given, mean is taken of preceding and following month.)
Base, 1913 = 100. (Figures in brackets are gold prices.)

	Wholesale Prices of Commodities.			Cost of Living.			
	U.S.A. Average of Department of Labour and Bradstreet	U.K. Average of Board of Trade, *Statist*, *Economist* and *Times*. †	Composite U.S.A. and U.K. (gold).	U.S.A. Average of N.I. Conference Board and Dept. of Labour. ‡	U.K. Ministry of Labour.	Composite U.S.A. and U.K. (gold).	Composite of Wholesale Prices and Cost of Living.
December 31, 1913	97·8	98·6	97·8*				
„ 1914	98·0	107·8	98·0*	103·0*	112½	103·0*	100·5*
„ 1915	113·6	139·3	113·6*	105·1*	135	105·1*	109·3*
„ 1916	146·5	181·6	146·5*	118·3*	165	118·3*	132·4*
„ 1917	186·2	218·0	186·2*	142·4*	187½	142·4*	164·3*
„ 1918	197·4	230·8	197·4*	170·4*	220	170·4*	183·9*
„ 1919	220·3	279·6 (215·6)	217·9	199·3	225 (173½)	186·4	202·1
„ 1920	152·5	250·3 (181·9)	167·2	193·0	265 (193)	193·0	180·1
„ 1921	128·2	161·7 (139·9)	134·0	168·1	192 (166)	167·0	150·5
„ 1922	147·0	155·6 (148·2)	147·6	164·0	178 (170)	167·0	157·3
„ 1923	142·9	163·4 (145·3)	144·1	169·0	177 (157½)	163·2	153·6
„ 1924	149·1	174·0 (169·2)	159·1	169·5	180 (175)	172·2	165·6
„ 1925	150·1	152·6	151·3	173·9	175	174·4	162·8
„ 1926	139·1	144·4	141·7	171·6	175	173·3	157·5
„ 1927	142·6	141·8	142·2	167·6	168	167·8	155·0
„ 1928	139·9	137·7	138·8	166·4	167	166·7	152·7
June 30, 1929	137·6	133·3	135·4	165·5	161	163·2	149·3
December 31, 1929	130·7	128·8	129·7	166·4	166	166·2	147·9
June 30, 1930	118·6	115·2	116·8	162	155	158·5	137·6
December 31, 1930	107·1	103·0	105·0	155	153	154·0	129·5
June 30, 1931	97·6	97·3	97·4	144·5	147	145·7	121·5
December 31, 1931	89·0	100·1 (69·7)	89·0*	141·5*	147 (102·4)	141·5*	115·2*

* U.S.A. only. † Board of Trade from 1920 only, *Times* from 1919 only, *Economist* from 1924 only. ‡ National Industrial Conference Board from 1920 only.

TABLE IV.
QUANTITY OR VOLUME FACTORS (WORLD).

(1913 = 100.)

	Production of Basic Commodities.			Industrial Production.	Quantum of Trade.	Population.	Production of Basic Commodities.	
	Food. (1)	Raw Materials. (2)	Both. (3)	(4)	(5)	(6)	Volume (at 1913 prices) $000,000. (7)	Value.† $000,000 (8)
1913	100	100	100	100	100	100	35,517	35,100
1914	94	92	93	...	...	100½	32,981	32,300
1915	101	87	94	...	...	101	33,586	35,300
1916	85	97	90	...	...	101½	32,110	41,900
1917	85	100	92	...	...	101½	32,625	54,200
1918	83	100	90	...	...	101½	32,131	61,600
1919	85	91	88	...	...	102	31,178	64,700
1920	97	102	99	...	...	102½	35,250	67,800
1921	94	81	88	...	...	103	31,359	47,200
1922	105	97	101	...	...	104	35,977	50,600
1923	103	110	106	...	...	104½	38,362	55,900
1924	102	116	108	...	99	105½	38,695	58,600
1925	111	125	116	122	107	106½	42,232	65,500
1926	111	129	117	124	111	107½	41,322	60,500
1927	113	135	121	134	120	109	43,621	61,900
1928	118	140	126	150	124	110	45,540	64,000
1929	117	150	129	160	128	111½	46,500	62,700
1930	117	137	124	140	120	112½	43,704	51,200
1931	115	123	118	117	98*	113½	‡	‡

* As given by Canadian Bank of Commerce, February, 1932.
† Worked out at mean of composites of Wholesale Prices shown in Table III.
‡ Not available. The line in Charts I. and IV. has been continued to 1931 by correcting the figure of 118 shown in Column 3 of this Table by the composite wholesale price index.

Sources: Cols. 1 to 3. Federal Reserve Bank of New York to 1922. Thereafter League of Nations "Memorandum on Production and Trade."
Col. 4. Canadian Bank of Commerce, February, 1932, based on League of Nations figures.
Col. 5. League of Nations "Memorandum on Production and Trade."
Cols. 7, 8. Federal Reserve Bank of New York.

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PART II.

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COMMERCIAL TIMES—WEEKLY PRICES CURRENT.

The prices in the following list are revised with the assistance of an eminent firm in each department.

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.	s.	d.
GRAIN, &c.—				
Wheat—				
No. 2, N. Man. 496 lb.	26	6		
Eng. Gaz. av., per cwt.	5	3		
Barley, Eng. Gas. av.....	6	11		
Oats, " "	5	8		
Maize, La Plata, landed, 480 lb.	21	0		
Flour, Lon. stan. ex mill, 280 lb.	21	9		
Rice, No. 2 Burma, per cwt.	7	1½		
Tapioca, per cwt.—				
Fair Flake, Singapore..	12	9		
MEAT—				
Beef, per 8 lbs.—				
English long sides	4	6	5	2
Argentine chilled hinds	4	0	4	6
Mutton, per 8 lbs.—				
English wethers	4	4	5	8
N.Z. frozen "	2	10	3	6
Lamb per 8 lbs.—				
N.Z. frozen.....	3	10	5	4
Pork, English, per 8 lbs....	5	4	6	0

OTHER FOODS.

BACON—				
Irish ..... per cwt.	58	0	66	0
Danish.....	54	0	56	0
Dutch	46	0		
HAMS—				
Canadian.....	60	0	62	0
American	56	0	58	0
BUTTER—				
Australian	78	0	80	0
New Zealand	80	0	81	0
Danish.....	106	0	108	0
CHEESE—				
Canadian ..... per cwt.	62	0	68	0
New Zealand	57	0	58	0
English Cheddars	98	0	105	0
Dutch	61	0	68	0
COCOA—				
(Duty, British grown, 11s. 8d.; foreign, 14s. cwt.).				
Accra, f.f. .....per cwt.	23	0	26	6
Trinidad.....	38	0	45	0
Grenada	30	0	37	0
COFFEE—				
(Duty, British grown, 4s. 8d.; foreign, 14s. cwt.).				
Santos supr., c. & f. cwt.	62	0		
Colombian, good	75	0	85	0
Costa Rica, med. to good	80	0	105	0
East Indian " " "	85	0	105	0
Kenya, medium	70	0	82	0
EGGS—				
English .....per 120	12	3	13	0
Danish.....	14	0		
FRUIT—				
Oranges—				
Denia .....¼ cases	8	0	14	0
Jaffa.....boxes	10	0	15	0
Lemons, Sicilian ...boxes	8	6	12	0
" .....cases	12	0	22	0
Malaga ... cases 420, No. 1		...		
Apples : Amer.(var.) brls.	29	0	34	0
" (var.) boxes	10	0	12	6
" Australian		...		
Onions :—				
Valencia, case, 4s.	8	0	9	0
Argentine, bags		...		
Grapes, Lisbon ½ boxes		...		
" Almeria ....brls.	8	0	15	0

	s.	d.	s.	d.
LARD—				
Irish bladders	58	0	74	0
American, boxes, 56 lbs.	43	0	44	0
POTATOES—				
Good English, per cwt.	5	6	6	0
SPICES—				
Pepper, per lb.—				
Muntok, fair White	0	6½		
Black Lampong	0	5½		
Cinnamon—1st sort, per lb.	0	6½		
Cloves—Zanzibar per lb.	0	6½		
Ginger—per cwt.—				
African	20	0		
Jamaica, ord. to good...	57	6	90	0
Mace .....per lb.	0	8	2	0
Nutmegs, 65s.	1	4		
SUGAR—				
(Duty, 11s. 8d. per cwt.).				
B.W.I., crystallised.....	16	6	18	3
Java, white, c. & f. India Dec.-Jan.	7	4½		
REFINED—London—				
Yellow Crystals	17	10½		
Cubes.....	22	3	22	9
Crushed.....	20	3	20	9
Granulated	17	6	19	1½
Home Grown	17	7½	18	0
Molasses, in bond	1	3		
TEA—				
Indian—per lb.—				
Pekoe.....	0	6	0	8½
Broken Pekoe	0	6½	1	6½
Orange Pekoe	0	6½	2	5
Broken Orange Pekoe...	0	6½	2	10
Ceylon—per lb.—				
Pekoe	0	6½	2	2
Broken Pekoe	0	6½	2	0
Orange Pekoe	0	6½	2	2
Broken Orange.....	0	6½	2	8½
TOBACCO—				
(Duty 9/6–10/6½ per lb., Empire growths, 7/5½–8/3½ per lb.).				
Virginia leaf—				
Common to fine	0	10	3	6
Rhodesian leaf	0	10	3	0
Nyasaland leaf.....	0	6	1	6
" strips.....	0	8	2	6
East Indian leaf	0	5	0	10
" strips	0	5½	1	6

TEXTILES.

	£	s.	£	s.
COTTON—				
Mid-American ..... per lb.	5·25			
Sakellaridis, f.g.f.....	7·39			
Yarns, 32's twist		8½		
" 60's twist		14½		
FLAX—				
Livonian ZK .....per ton	56	0	56	10
Pernau HD	54	0		
Slanetz Medium 1st sort...	62	0		
HEMP—				
Italian P.C. .....per ton	51	10		
Manila, Jan.-Feb. "J 2"	18	0		
Sisal, African, Jan.-Feb...	14	5	14	15
JUTE—				
Native 1st mks. ... per ton c.i.f. H.A.R.B.				
January–February	£15/0/0			
Daisee 2/3 c.i.f. Dundee...				
January–February	£14/7/6			

	s.	d.	s.	d.
SILK—				
Canton .....per lb.	6	6	9	0
Tussah	3	6	4	6
Japan	8	0	9	6
Italian—raw, fr. Milan	8	0	9	9
WOOL—		d.		
English Southdown, greasy per lb.		10		
" Lincoln hog, washed		5½		
Queensland, scd. super cmbg.		20		
N.S.W. greasy, super "		12		
N.Z., gsy., half-bred 50–56		11½		
Tops— Crossbred 40–44		5½		
Merinos 70's		24½		
" 64's		23		
Crossbred 48's		10		
" 46's		9		

COAL— MINERALS.	s.	d.	s.	d.
Welsh, best Ad'ty ...ton	19	6		
Durham, best gas, f.o.b. Tyne	14	6		
Sheffield, best house, at pits	23	0		
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	58	6		
Bars, M'brough 195	0			
Steel Rails, heavy 170	0			
Tin Plates ..... per box	15	9	16	3

METALS—	£	s.	d.	£	s.	d.
Copper, Electrolytic, ton	33/0/0			33/10/0		
Sheets (strong).....	61/0/0					
Standard	28/5/0			28/7/6		
Lead, Eng. Pig.... per ton	11/15/0					
Soft Foreign	10/7/6					
Spelter G.O.B.	14/12/6					
Tin—English ingots ...	148/0/0					
Standard cash	146/0/0			146/5/0		

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb., less 5%	0	10	0	10½
Nitric.....	0	2½	0	4
Oxalic, net	0	4	0	4½
Tartaric, English, less 5%	0	10½	0	10½
Alcohol, Plain Ethyl.....	12	0		

	£	s.	£	s.
Alum, lump .....per ton	8	15	9	0
Ammonia, carb. .....ton	30	0	31	0
Sulphate	6	5	6	10
Arsenic, lump .....per ton	35	0	40	0
Bleaching powder, per cwt.	8/10/0		9/0/0	

	s.	d.	s.	d.
Borax, gran. ..... per cwt.	13	0		
Do., powder	14	6		
Nitrate of Soda ... per cwt.	8	6	9	0
Potash—Chlorate, net	0	4½	0	4½
Sulphate .....per cwt.	12	0	12	6
Sal-Ammoniac ...per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals.....per cwt.	5	0	5	3

	£	s.	£	s.
Sulphate of Copper, per ton	15	10	16	0

CEMENT London—	s.	d.	s.	d.
Portland, best Eng. pr. ton—				
In jute sacks (11 to ton)	44	9		
In free paper bags (20 to ton)	46	0		

COPRA—	£	s.	d.
S.D. Straits c.i.f., per ton	13/12/6		
Smoked South Sea	12/17/6		
DRUGS—			

	s.	d.	s.	d.
Camphor—				
Japan, refined ...per lb.	2	4	2	5
Castor-oil .....per lb.	85	0	95	0
Ipecacuanha .....per lb.	5	6		
Peppermint, Wayne Co.				
HIDES— per lb.	13	6	14	0
Wet salted—Australian per lb.	0	4	0	4½
West Indian.....	0	3	0	3½
Cape	0	3½		

	s.	d.	s.	d.
Dry and Drysalted Cape...	0	5½	0	6½
Market Hides, London—				
Best heavy ox and heifer	0	3½	0	4½
Best cow	0	3½	0	3½
Best calf	0	3½	0	5½
INDIGO—				
Bengal gd. red.-vio. to fine—per lb.	5	6		
LEATHER—				
Sole Bends 8/14 lb.— per lb.	0	9½	1	8½
Bark Tanned Sole	2	0	3	0
Shoulders fm DS Hides	0	5½	0	7½
Do. Eng. or WS do.	0	8	1	0
Bellies from DS do.	0	4	0	8
Do. Eng. or WS do.	0	5	0	8½
Dressing Hides.....	1	0	1	8
Ro. Eng. Calf, 20/30 lb.	2	3	3	3
Aust Bends	1	0	1	4½

VEGETABLE OILS—	£	
Linseed, naked, p. ton net	17/7/6	
Rape, refined	25/0/0	
Cotton-seed, crude	23/10/0	
Coconut, crude.....	23/0/0	
Palm.....	14/10/0	
Oil Cakes, Linseed, Eng., per ton	7/10/0	
Oil Seeds—Linseed—		
La Plata, p. ton—		
January–February ...	8/16/3	
Calcutta—per ton	11/5/0	

	s.	d.		
Turpentine, per cwt.....	66	0		
PETROLEUM PRODUCTS—				
Motor spirit, No. 1, London .....per gal.		1	6½	
Petroleum, Amer. rfd. brl. London per gal.		0	9½	
Fuel oil, in bulk, for contracts, ex instal., Thames—				
Furnace ... per ton	60	0		
Diesel " "	67	6		
Lubricating oil ex store, London—per ton—	£		£	
Pales.....	9/10/0		25/0/0	
Reds	10/0/0		15/17/6	
Cylinder	11/0/0		28/10/0	

ROSIN—	£	£
American .....per ton	15/5/0	24/10/0

RUBBER—	s.	d.	s.	d.
St. ribbed smoked sheet per lb.	0	2½		
Fine Hard Para per lb.	0	4½		
SHELLAC—				
TN Orange ..... per cwt.	55	0	57	6

SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P "	3	10	11	10

TALLOW—	s.	d.
London Town per cwt.	21	0

TIMBER—	£	s.	d.
Swedish u/s 3 x 8 ...per std.	16	0	0
" 2½ x 7 ... "	15	0	0
" 2 x 4 "	14	0	0
Can'dn Spruce, Dis "	24	0	0
Pitchpine ..... per load	9	0	0
Rio Deals ..... per std.	32	0	0
Teak ..... per load	28	0	6
Honduras Mahg. logs c. ft.	0	10	0
African " " "	0	6	0
Amer. Oak Boards "	0	6	6
" Ash " "	0	6	6
English Oak Planks "	0	6	6
" Ash " "	0	7	0

tendency this week, as is also the case with that for several types of foreign hides. At the Manchester auctions a further advance of ½d. per lb. was recorded on most weights of both clear and warbled ox and heifers, while cows were unchanged from the previous week. Bulls also made ½d. per lb. more money, while calfskins were unchanged on average. Similar conditions were met with at the Leeds sales, with the exceptions that the two lighter weights in cow hides realised more money. Prices for imported hides have firmed up appreciably during the week, although sales, so far as this country is concerned, have not been large. In South American wet-salted hides, Argentine ox have realised up to 4¾d., while light ox have changed hands at 4½d., and Montevideo ox at 5¾d. Dry hides from the same source have been held for full figures, B. A. Americanos having sold at 5¾d., Inservibles at 3¾d., Cuyabanos at 5½d., and M. V. Americanos at 6¾d. There has been little alteration in prices for African hides, first and second dry Capes having changed hands at 6¼d. and 5¼d., with 5¾d. and 4¾d. paid for drys. Heavy unbathed Adis Abebas and Mombasas have both realised 5d., while dry Nigerians have made up to 6¼d. Although Australians have eased a trifle, prices for these hides are still considered too high. Trade in the leather market has moved on steady lines, the majority of transactions being concerned with goods required for immediate use. As present wants are not large, it means that business generally is made up of numerous orders for small quantities, and it is rather difficult to book anything in the nature of bulk supplies. In the sole leather section more interest has been shown in English and wet salted bends, and there has also been a fair amount of trade done in dry hide types. Offal has been wanted only in pinned sorts. In the upper leather market, calf and kid leather is responsible for the bulk of the business done, although there has been some improvement in the inquiry for patent. Suede and reptiles have also been asked for, but actual sales have not been large.

RUBBER.—The market in rubber has been dull during the past week, and prices declined steadily on liquidation. In New York, Wednesday's spot price for rubber, at 2·87 cents per lb., compares with 3·13 cents per lb. a week ago. Wednesday's official closing price for standard ribbed smoked sheet in London was 2 5/32d. per lb., against 2 13/32d. per lb. on the corresponding day last week. In forward positions, business has been done at 2 3/16d. to 2 7/32d. for April–June, 1933, as against 2 17/32d. a week ago. Movements of rubber in London and Liverpool during the past week were as follows: Landed, 841 tons; delivered, 1,651 tons; stocks at the end of last week, at 90,311 tons, show a decrease of 810 tons as compared with the preceding week.

COMMODITY PRICES IN UNITED STATES.

(New York quotations, unless otherwise stated.)

	Jan. 20, 1932.	Dec. 21, 1932.	Jan. 11, 1933.	Jan. 18, 1933.
	Cents.	Cents.	Cents.	Cents.
Wheat, No. 2, Winter, nearest future, Chicago, per bushel...	57⅞	44½	49⅝	46¼
Maize, nearest future, Chicago, per bushel	39½	22⅝	27¼	26¼
Oats, nearest future, Chicago, per bushel	25½	15⅛	17¼	17
Rye, nearest future, Chicago, per bushel	45½	30½	37½	35
Barley, nearest future, Chicago, per bushel	...	30½	29½	27½
Coffee, Rio No. 7, cash, per lb...	7–7½	8½	8	8
" Santos No. 4, cash, per lb.	9–9½	10½	9½	9¼
Cocoa, Accra, nearest future, per lb.....	4·02	3·54	3·46	3·31
Sugar, Cuban Centrifugals, 96 deg., spot, per lb.....	3·10	2·82	2·78	2·67
Cotton, middling, spot, per lb...	6·61	6·00	6·25	6·20
Rubber, smoked sheet, spot, per lb.....	4½	3½	3·13	2·87
Petroleum, Pennsylvania crude, standard grades, per barrel...	155–170	142–164	122–142	122–142
Copper, "Electrolytic," Domestic, spot, per lb.....	7·50	5	5	5
Copper, "Electrolytic," Copper Exporters, Inc., spot, per lb.	7·625	5·125	5·15	5
Spelter, East St. Louis, spot, per lb.....	3·00	3·125	3·075	3·00
Lead, spot, per lb.	3·75	3·00	3·00	2·875
Tin, "Straits," spot, per lb.....	22·25	22·85	22·90	22·625